

Exhibit C

Excerpts of Transcript of Aug. 9, 2017 Omnibus Hearing

UNITED STATES BANKRUPTCY COURT

DISTRICT OF PUERTO RICO

In Re:) Docket No. 3:17-BK-3283 (LTS)
)
) Title III
The Financial Oversight and)
Management Board for)
Puerto Rico,) (Jointly Administered)
)
as representative of)
)
The Commonwealth of)
Puerto Rico, *et al.*,) August 9, 2017
)
Debtors.)

In Re:)
)
The Financial Oversight and) Docket No. 3:17-BK-3566 (LTS)
Management Board for)
Puerto Rico,) (Joint Administration
) Requested)
as representative of)
)
Employees Retirement)
System of the Government)
of the Commonwealth of)
Puerto Rico,)
)
Debtor.)

In Re:)
)
The Financial Oversight and) Docket No. 3:17-BK-3567 (LTS)
Management Board for)
Puerto Rico,) (Joint Administration
) Requested)
as representative of)
)
Puerto Rico Highways and)
Transportation Authority,)
)
Debtor.)

1 In Re:)
2)
3 The Financial Oversight and) Docket No. 3:17-BK-4780 (LTS)
4 Management Board for)
5 Puerto Rico,) (Joint Administration
6) Requested)
7 as representative of)
8)
9 Puerto Rico Electric)
10 Power Authority,)
11)
12 Debtor.)

8
9 OMNIBUS HEARING
10 BEFORE THE HONORABLE U.S. DISTRICT JUDGE LAURA TAYLOR SWAIN
11 UNITED STATES DISTRICT COURT JUDGE.
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14 PRESENT IN THE OMNIBUS HEARING:
15 The Honorable U.S. Chief Bankruptcy Judge Barbara Houser
16 The Honorable U.S. Magistrate Judge Judith Dein
17

18 APPEARANCES:

19 For the U.S. Trustee)
20 Region 21:) Ms. Monsita Lecaroz Arribas,
21) AUST
22 For The Commonwealth)
23 of Puerto Rico, et al.:) Mr. Martin Bienenstock, PHV
24) Mr. Chris Theodoridis, PHV
25 For Peaje)
Investment, LLC:) Mr. Allan S. Brilliant, PHV
For Stericycle of)
Puerto Rico:) Mr. Adrian Linares Palacios, Esq.

1	APPEARANCES, Continued:	
2	For Ad Hoc Group of	
3	General Obligation	
3	Bondholders:	Mr. Andrew N. Rosenberg, PHV
4	For Ambac Assurance	
5	Corporation:	Mr. Dennis F. Dunne, PHV
6	For Assured Guaranty	
6	Corp.:	Ms. Ellen M. Halstead, PHV
7	For Puerto Rico Fiscal	
8	Agency and Financial	
8	Advisory Authority:	Ms. Suzzanne Uhland, PHV
9		Mr. Peter Friedman, PHV
9		Mr. Nathan Haynes, PHV
10		Ms. Nancy Mitchell, PHV
11	For Official Committee	
11	of Unsecured Creditors:	Mr. Luc Despins, PHV
12	For Financial Guaranty	
13	Insurance Company:	Mr. Martin Sosland, PHV
14	For Ad Hoc Group of	
14	PREPA Bondholders:	Mr. Gregory Horowitz, PHV
15	For U.S. Bank:	Mr. Clark Whitmore, PHV
16	For National Public	
17	Finance Guaranty Corp:	Mr. Salvatore Romanello, PHV
18	For Autonomous	
18	Municipality of Ponce:	Mr. Paul Glassman, PHV
19	For South Parcel:	Mr. Victor Rivera Rios, Esq.
20	For Scotia Bank of	
21	Puerto Rico:	Mr. Emil Kleinhaus, PHV
22	For University of	
22	Puerto Rico Retirement	
23	System Trust:	Mr. Jose Ramirez Coll, Esq.
24	For the Ad Hoc Puerto	
24	Rico Municipalities	
25	Committee:	Mr. Michael Rochelle, PHV

1 APPEARANCES, Continued:

2 For Puerto Rico Fund: Ms. Cheryl Sloane, PHV

3 For Solus Alternative
4 Asset Management: Mr. Nicholas Baker, PHV

5 For Mutual Fund Group: Mr. Philip Bentley, PHV

6 For Ad Hoc Retiree
Committee: Mr. Robert Gordon, PHV

7 For Canyon Balanced
8 Master Fund Ltd.,
et al.: Mr. Susheel Kirpalani, PHV

9 For National Guaranty: Mr. Jonathan Polkes, PHV

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24 Proceedings recorded by stenography. Transcript produced by
25 CAT.

1	I N D E X	
2	WITNESSES:	PAGE
3	None offered.	
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5	EXHIBITS:	
6	None offered.	
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1 MR. DESPINS: No, thank you. I'll wait until
2 Mr. Bienenstock --

3 THE COURT: Thank you.

4 Mr. Bienenstock.

5 MR. BIENENSTOCK: Thank you. I might spare
6 Mr. Despins the minute he asked for. I realize I hadn't
7 responded to Mr. Polkes on behalf of National. So he made two
8 points, that somehow PROMESA Section 314(b)(6) and Bankruptcy
9 Code Section 1129(a)(6) have some bearing here, and I just
10 want to just explain briefly why they don't.

11 1129(A)(6) simply requires, as a confirmation
12 requirement, that any rate increases in the plan be obtained,
13 the non-bankruptcy law approvals necessary, and they will.
14 It's certainly not in front of the Court today.

15 And 314(b)(6) is the Title III best interest test
16 which says the Court should continue what creditors would
17 receive, if they force their claims under non-bankruptcy law.
18 So two points about that.

19 Point number one is nowhere in PROMESA does it import
20 state law priorities. It just uses some, but not all of the
21 Bankruptcy Code priorities. But most important and applicable
22 to Mr. Polkes' comment is what they -- what 314(b)(6) is
23 asking this Court to do is to say, well, if the creditors were
24 all free to enforce their claims under non-bankruptcy law
25 today, what would they end up with?

1 So just imagine, all those bondholders, plus the
2 unsecureds, charge into the courthouse, I want mine. What
3 will they get and what will happen to PREPA? We'll be able to
4 pass that test, Your, Honor. And it's certainly not
5 applicable today.

6 And there's still a minute for Mr. Despins.

7 THE COURT: Thank you.

8 MR. DESPINS: Your Honor, we rest on our papers
9 filed.

10 THE COURT: Thank you.

11 MR. HOROWITZ: Five minutes?

12 THE COURT: Yes.

13 MR. HOROWITZ: Thank you, Your Honor. Again, Gregory
14 Horowitz on behalf of the movants.

15 Your Honor, I think it's really quite remarkable. I
16 got up at the podium and I think I directly -- I tried to be
17 pretty direct --

18 THE COURT: Could you speak a bit louder? Thank
19 you.

20 MR. HOROWITZ: Sure. I directly challenged
21 Mr. Bienenstock to address what the Oversight Board failed to
22 address in their papers, the fact that Puerto Rico, by
23 statute, requires rates to be set at a level appropriate --
24 well, identical to the rate covenant, at a level appropriate
25 to pay all expenses and service all debt. Not one word about